# UNITED STATES BANKRUPTCY COURT

Eastern District of California

# Honorable Ronald H. Sargis

Bankruptcy Judge Sacramento, California

June 13, 2023 at 1:30 p.m.

1. <u>21-21429</u>-E-13 DNL-7

JAMIE HOWELL Stacie Power CONTINUED MOTION FOR COMPENSATION FOR NIKKI FARRIS, CHAPTER 7 TRUSTEE(S) 3-7-23 [210]

**Tentative Ruling:** Oral argument may be presented by the parties at the scheduled hearing, where the parties shall address the issues identified in this tentative ruling and such other issues as are necessary and appropriate to the court's resolution of the matter.

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Local Rule 9014-1(f)(1) Motion—Hearing Required.

Sufficient Notice Provided. The Proof of Service states that the Motion and supporting pleadings were served on Debtor, Debtor's Attorney, Chapter 13 Trustee, creditors, parties requesting special notice, and Office of the United States Trustee on March 7, 2023. By the court's calculation, 35 days' notice was provided. 35 days' notice is required. FED. R. BANKR. P. 2002(a)(6) (requiring twenty-one days' notice when requested fees exceed \$1,000.00); LOCAL BANKR. R. 9014-1(f)(1)(B) (requiring fourteen days' notice for written opposition).

The Motion for Allowance of Professional Fees has been set for hearing on the notice required by Local Bankruptcy Rule 9014-1(f)(1). Failure of the respondent and other parties in interest to file written opposition at least fourteen days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(B) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995) (upholding a court ruling based upon a local rule construing a party's failure to file opposition as consent to grant a motion). The defaults of the non-responding parties and other parties in interest are entered.

The Motion for Allowance of Professional Fees is granted.

Nikki Farris, the Chapter 7 Trustee, prior to conversion to a Chapter 13, ("Applicant") makes a First and Final Request for the Allowance of Fees and Expenses in this case.

Fees are requested for the period April 25, 2021, through October 27, 2022. Applicant requests fees in the amount of \$7,215.00.

# **Chapter 13 Trustee's Nonopposition**

Chapter 13 Trustee, David P. Cusick ("Chapter 13 Trustee"), filed a nonopposition on March 15, 2023. Dckt. 217. Trustee states they services were needed and the fees were reasonable.

## **Debtor's Opposition**

The debtor, Jamie Howell ("Debtor"), filed an opposition to the Motion on March 24, 2023. Dckt. 219. Debtor states the fees are limited by 11 U.S.C. § 326 to only moneys disbursed or turned over in the case by the trustee. Applicant did not turn over any money to creditors of the estate, therefore, the total compensation is \$0.00.

# **Applicant's Response**

Applicant filed a response on April 4, 2023. Dckt. 227. Applicant states Debtor misapplies the purpose and scope of 11 U.S.C. § 326.

Reading the plain language of 11 U.S.C. § 326(a), there is a limit on compensation of a trustee is a case under Chapter 7 or 11. Section 326(a) provides:

In a case under chapter 7 or 11 . . . the court may allow reasonable compensation under section 330 . . . of the trustee for the trustee's services, payable after the trustee renders such services, not to exceed 25 percent on the first \$5,000 or less, 10 percent on any amount in excess of \$5,000 but not in excess of \$50,000, 5 percent on any amount in excess of \$50,000 but not in excess of \$1,000,000, and reasonable compensation not to exceed 3 percent of such moneys in excess of \$1,000,000, upon all moneys disbursed or turned over in the case by the trustee to parties in interest, excluding the debtor, but including holders of secured claims.

As other courts have found, "§ 326(a) does not preclude Chapter 7 trustee compensation in cases that are dismissed on the debtor's motion or converted to Chapter 13 prior to completion of Chapter 7 administration." *In re Colburn*, 231 B.R. 778, 782 (Bankr. D. Or. 1999) (citing *In re Berry*, 166 B.R. 932 (Bankr. D. Or. 1994); *In re Tweeten Funeral Home, PC*, 78 B.R. 998 (Bankr. D.N.D. 1987); *In re Stabler*, 75 B.R. 135 (Bankr. M.D. Fla. 1987); *In re Woodworth*, 70 B.R. 361 (Bankr. N.D.N.Y. 1987); *In re Parameswaran*, 64 B.R. 341 (Bankr. S.D.N.Y. 1986); *In re Smith*, 51 B.R. 273 (Bankr. D.D.C. 1984); *In re Pray*, 37 B.R. 27 (Bankr. M.D. Fla. 1983); *In re Flying S Land & Cattle Company, Inc.*, 23 B.R. 56 (Bankr. C.D. Cal. 1982); and *In re Rennison*, 13 B.R. 951 (Bankr. W.D. Ky. 1981)).

# Voiding of the Law vs Forfeiture of Fees

This presents the court with several interesting questions. First, as the Trustee argues, does the conversion of a Chapter 7 case result a *sub silentio* voiding of the provisions of 11 U.S.C. § 326 and there is no limit on the fees that a former Chapter 7 Trustee

Alternatively, does, as the Debtor argues, the court converting a Chapter 7 case to one under Chapter 13, which the debtor desires after the trustee has discovered assets to administer (including the recovery of possible post-petition rents received by the Debtor on property of the Bankruptcy Estate), result in a Chapter 7 trustee forfeiting fees for the work done that resulted in the Debtor seeking to pay creditors through a Chapter 13 case rather than walking away with a Chapter 7 discharge.

Neither of these extreme positions appears reasonable with the plain language of the Bankruptcy Code, as well as reality.

Congress provides in 11 U.S.C. § 330 that the court may award a trustee reasonable compensation for the actual and necessary services rendered by the trustee. In saying may, Congress is not stating that such fees may not be allowed on the whim of the judge, but that the court has the power to award reasonable fees (which are subject to the 11 U.S.C. § 326 cap). See 3 Collier on Bankruptcy ¶ 326.04. A Chapter 7 trustee is not the indentured servant of a debtor who seeks to convert a Chapter 7 case to one under Chapter 13.

In addressing the cap on a Chapter 7 trustee's fees, Congress states in 11 U.S.C. § 326(a):

(a) In a case under chapter 7 or 11, other than a case under subchapter V of chapter 11, the court may allow reasonable compensation under section 330 of this title of the trustee for the trustee's services, payable after the trustee renders such services, not to exceed 25 percent on the first \$5,000 or less, 10 percent on any amount in excess of \$5,000 but not in excess of \$50,000, 5 percent on any amount in excess of \$50,000 but not in excess of \$1,000,000, and reasonable compensation not to exceed 3 percent of such moneys in excess of \$1,000,000, upon all moneys disbursed or turned over in the case by the trustee to parties in interest, excluding the debtor, but including holders of secured claims.

Debtor argues that the language stating that the percentage caps are computed on "all monies disbursed or turned over in the case by the trustee to parties in interest, excluding the debtor, but including holders of secured claims" results in this case the Trustee being entitled to \$0.00 in fees since the Debtor has prevented the distribution of monies by converting the case in lieu of the Trustee recovering and liquidating assets (including possibly post-petition rents from property of the Bankruptcy Estate by the Debtor).

This court does not read the above provisions as a forfeiture of fees in such a case where the Debtor belatedly comes to the table and only "desires" to pay creditors when the Chapter 7 Trustee is on the verge of recovering and liquidating assets. In substance, the monies equal to what the Trustee could have disbursed if Debtor did not elect to be the successor fiduciary to the Chapter 7 Trustee are being constructively distributed by the Chapter 7 Trustee through the successor fiduciary of the Bankruptcy Estate and as the Chapter 13 Plan administrator.

In effect, Debtor's desire to convert this case to one under Chapter 13 after substantial administration by the Chapter 7 Trustee has created a "multiple trustee case" in which the reasonable compensation for the Chapter 7 Trustee is considered in light of the work by the successor "trustee" (the fiduciary Debtor).

# **Prior Arguments Concerning Possible Fraudulent Conveyances**

This court has listed to the audio recording of the October 26, 2022 hearing on the Motion to Convert this Case to one under Chapter 13. The Chapter 7 Trustee expressed concern over the possible running of the Statue of Limitations (which arise both under State Law and the Bankruptcy Code) during the Chapter 13 case. These transfers appear to relate to property that Debtor transferred into a trust. Reference is made to some "agreement" by the Debtor that the trust assets were property of the Bankruptcy Estate.

The Chapter 7 Trustee was concerned that while the case was being prosecuted by the Debtor as a Chapter 13 case the statute of limitations is allowed to run. Then, the case is converted back to one under Chapter 7 and Debtor then contends that the property is not property of the Bankruptcy Estate and it is too late for the Chapter 7 Trustee to pursue such an action.

What was not discussed at the conversion hearing was who would be the fiduciaries of the Bankruptcy Estate who allowed the statute of limitations to run and if the Debtor was then successful in asserting that the transfer was made and the property in the trust was not property of the Bankruptcy Estate. Those fiduciaries of the Bankruptcy Estate when such statute of limitations was allowed to run and the Bankruptcy Estate suffer damages would be: (1) the Chapter 13 Debtor and (2) counsel for the Chapter 13 Debtor, both of whom has independent fiduciary obligations to the Bankruptcy Estate.

# **Apparent Lack of Prosecution of Chapter 13 Plan and Case**

In listening to the audio recording from the October 26, 2022 hearing on the Debtor's Motion to Convert this case, some discussion related to the Debtor's need to diligently prosecute the Chapter 13 case. In looking at the Docket, Debtor has not sought to prosecute confirmation of a Chapter 13 Plan.

On November 21, 2022, twenty-two days after the conversion of the Bankruptcy Case Debtor filed a proposed Chapter 13 Plan. Dckt. 171. If a bankruptcy plan is not filed withing fourteen (14) days of the filing of the Bankruptcy Petition, the Debtor must file and serve a motion to confirm, supporting pleadings, and set the motion for a notice hearing. L.B.R. 3015-1(c)(1), (c)(3).

Debtor did not file a motion to confirm the Chapter 13 Plan filed on November 21, 2022.

On March 6, 2023, four months later, and five (5) months after this case was converted, Debtor filed a second Chapter 13 Plan, Dckt. 202, which is now Debtor's Amended Plan. No motion to confirm, supporting pleadings, or notice of hearing have been filed by Debtor.

In Debtor's original Plan (Dckt. 171), which she did not try to confirm, Debtor was to pay \$3,650 a month for sixty (60) months to fund the Plan. That would fund the Plan with \$219,000 of disposable income of the Debtor generated post-petition. The Plan provided for at least a 25% dividend to creditors holding general unsecured claims. Plan, ¶ 3.14; Dckt. 171.

In the Amended Chapter 13 Plan filed on March 6, 2023, Debtor reduces the monthly plan payment to \$1,250 a month for sixty (60) months and then a \$92,000 lump sum payment in month six of the Plan. Plan  $\P$  2.01, 2.02, 2.03, and Additional Provisions; Dckt. 202.

Debtor filed and "Amended" Schedule I on March 6, 2023. If amended, and not a supplemental Schedule I to show post-petition changes, then this income information would date all the way back to the April 19, 2021 filing of this case. On "Amended" Schedule I Debtor shows having new income information for her employment that has existed for one month and income for her Non-Debtor Spouse's employment that begun one year before the filing of the "Amended" Schedule I. This information is grossly different than that provided on Original Schedule I (including that Debtor was unemployed and had no Non-Debtor Spouse). Dckt. 1 at 34-35.

On "Amended" Schedule I Debtor states that her Non-Debtor Spouse has no wage income, no other income, but does receive a "Spousal Contribution" of \$1,000 a month. "Amd" Schedule I, ¶ 8h.; Dckt. 203. If the Non-Debtor Spouse is receiving a "Spousal Contribution, then that Spousal Contribution would be being paid by the Debtor.

Debtor does state on "Amended" Schedule I that her Non-Debtor Spouse is self-employed. Dckt. 203 at 1.

On "Amended" Schedule J filed on September 28, 2022,, Debtor lists having four Dependents: Spouse, Daughter, Stepson, and Son. Dckt. 134 at 17. It appears that all of the expenses for this five person family unit (Debtor, Non-Debtor Spouse, and three children) are listed on Schedule J. However, the Non-Debtor Spouse's income is not disclosed, but only a possible \$1,000 a month "contribution." It appears that at least 40% of the household expenses are the obligation of the Non-Debtor Spouse. It would appear that this would be (\$2,000) a month, after backing out vehicle insurance and the mortgage, taxes, and insurance on other property owned by the Debtor.

Using the monthly income from "Amended" Schedule I (Dckt. 203) and expenses from "Amended" Schedule J (Dckt. 134), Debtor's monthly net income is insufficient to fund a Plan.

"Amended" Schedule I Monthly Income (Dckt. 203)......\$4,146.90

Amended Schedule J Monthly Expenses (Dckt. 134)......(\$5,935.79)

Monthly Net Income to Fund Plan.....(\$1,789)

However, the court must make adjustment for expenses listed on "Amended" Schedule J which are now to be paid through the Amended Plan. Unfortunately, it is not clear where the Debtor is residing now, two and one-half years, and what housing expenses are included on Schedule J.

#### APPLICABLE LAW

# **Reasonable Fees**

A bankruptcy court determines whether requested fees are reasonable by examining the circumstances of the professional's services, the manner in which services were performed, and the results of the services, by asking:

A. Were the services authorized?

- B. Were the services necessary or beneficial to the administration of the estate at the time they were rendered?
- C. Are the services documented adequately?
- D. Are the required fees reasonable given the factors in 11 U.S.C. § 330(a)(3)?
- E. Did the professional exercise reasonable billing judgment?

*In re Garcia*, 335 B.R. at 724 (citing *In re Mednet*, 251 B.R. at 108; *Leichty v. Neary (In re Strand)*, 375 F.3d 854, 860 (9th Cir. 2004)).

### **Lodestar Analysis**

For bankruptcy cases in the Ninth Circuit, "the primary method" to determine whether a fee is reasonable is by using the lodestar analysis. *Marguiles Law Firm, APLC v. Placide (In re Placide)*, 459 B.R. 64, 73 (B.A.P. 9th Cir. 2011) (citing *Yermakov v. Fitzsimmons (In re Yermakov)*, 718 F.2d 1465, 1471 (9th Cir. 1983)). The lodestar analysis involves "multiplying the number of hours reasonably expended by a reasonable hourly rate." *Id.* (citing *In re Yermakov*, 718 F.2d at 1471). Both the Ninth Circuit and the Bankruptcy Appellate Panel have stated that departure from the lodestar analysis can be appropriate, however. *See id.* (citing *Unsecured Creditors' Comm. v. Puget Sound Plywood, Inc. (In re Puget Sound Plywood)*, 924 F.2d 955, 960, 961 (9th Cir. 1991) (holding that the lodestar analysis is not mandated in all cases, thus allowing a court to employ alternative approaches when appropriate); *Digesti & Peck v. Kitchen Factors, Inc. (In re Kitchen Factors, Inc.)*, 143 B.R. 560, 562 (B.A.P. 9th Cir. 1992) (stating that lodestar analysis is the primary method, but it is not the exclusive method)).

### Reasonable Billing Judgment

Even if the court finds that the services billed by professional are "actual," meaning that the fee application reflects time entries properly charged for services, the professional must demonstrate still that the work performed was necessary and reasonable. *In re Puget Sound Plywood*, 924 F.2d at 958. A professional must exercise good billing judgment with regard to the services provided because the court's authorization to employ a professional to work in a bankruptcy case does not give that professional "free reign to run up a [professional fees and expenses] tab without considering the maximum probable recovery," as opposed to a possible recovery. *Id.*; *see also Brosio v. Deutsche Bank Nat'l Tr. Co. (In re Brosio)*, 505 B.R. 903, 913 n.7 (B.A.P. 9th Cir. 2014) ("Billing judgment is mandatory."). According to the Court of Appeals for the Ninth Circuit, prior to working on a legal matter, the attorney, or other professional as appropriate, is obligated to consider:

- (a) Is the burden of the probable cost of legal [or other professional] services disproportionately large in relation to the size of the estate and maximum probable recovery?
- (b) To what extent will the estate suffer if the services are not rendered?
- (c) To what extent may the estate benefit if the services are rendered and what is the likelihood of the disputed issues being resolved successfully?

A review of the application shows that Applicant's services for the Estate include normal duties of a chapter 7 trustee during the pendency of the case, including case management, investigating assets and liabilities, efforts to sell nonexempt real property, and efforts to turnover property.

#### NO TASK BILLING

The court finds helpful, and in most cases essential, for professionals to provide a basic task billing analysis for the services provided and fees charged. This has long been required by the Office of the U.S. Trustee, and it is nothing new for professionals in this District. The task billing analysis requires only that the professional organize his or her task billing. The simpler the services provided, the easier it is for Applicant to quickly state the tasks. The more complicated and difficult to discern the tasks from the raw billing records, the more evident it is for Applicant to create the task billing analysis to provide the court, creditors, and U.S. Trustee with fair and proper disclosure of the services provided and fees being requested.

Included in the Motion is Applicant's raw time and billing records, which have not been organized into categories. Rather than organizing the activities that are best known to Applicant, it is left for the court, U.S. Trustee, and other parties in interest to mine the records to construct a task billing. The court declines the opportunity to provide this service to Applicant, instead leaving it to Applicant who intimately knows the work done and its billing system to correctly assemble the information. FN.1.

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FN.1. The requirement for a task billing analysis is not new to this district and was required well before the modern computer billings systems. More than twenty years ago a bright young associate (not the present judge) developed a system in which he used different color highlighters to code the billing statements for the time period for the fee application. General administrative matters were highlighted in yellow, sales of property in green, adversary proceedings in red, and so on. Subsequently, the billing procedure advanced so that each adversary proceeding was provided a separate billing number so that it would generate a separate billing. Within the bankruptcy case billing number, the time entries were given a code on which the billing system could sort the entries and automatically produce a billing report that separates the activities into the different tasks.

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The court continues the hearing, rather than denying the Application without prejudice, to afford Applicant the opportunity to provide the court, U.S. Trustee, and other parties in interest requesting the information with the necessary task billing analysis. Additionally, for both Applicant and Debtor to address whether the conversion of the case to one under Chapter 13 results in a forfeiture of fees by the Chapter 7 Trustee.

# CHAPTER 7 TRUSTEE'S SUPPLEMENTAL POINTS AND AUTHORITIES

Chapter 7 Trustee filed Supplemental Points and Authorities on May 26, 2023. Dckt. 255. Chapter 7 Trustee provides the court with other courts that found § 362(a) does not preclude Chapter 7 trustee compensation. Chapter 7 Trustee argues that the fee setting criteria is within the discretion of the bankruptcy judge. Citing *In re Fin. Corp. of Am.*, 114 B.R. 221, 224 (B.A.P. 9th Cir. 1990).

Chapter 7 Trustee provides a Supplemental Declaration evidencing their task billing and analysis. Declaration, Dckt. 253.

#### **DEBTOR'S REPLY**

Debtor filed a Reply on May 23, 2023. Dckt. 278. Debtor provides the following three arguments:

1. Because Chapter 7 Trustee did not disburse or turn over any money to creditors of the estate, Debtor contends a literal reading of 11 U.S.C. § 362 provides Trustee to receive no compensation. Debtor provides three cases that support this reading: *In re Fischer*, 210 B.R. 467 (Bankr. D. Minn. 1997); *In re Woodworth*, 70 Bankr. 361 (Bankr. N.D. N.Y. 1987); *In re Murphy*, 272 B.R. 483 (Bankr.D. Colo. 2002).

The court is not compelled to apply the literal interpretation of the statute, given Debtor has not provided any controlling authority and the court has already noted that courts have found § 326(a) does not preclude all Chapter 7 trustee fees when a case is converted.

2. In the alternative, Debtor recognizes that some courts have allowed for compensation to the Chapter 7 Trustee when a Chapter 7 trustee has provided substantial services for the benefit of creditors: *In re Colburn*, 231 B.R. 778, 783 (Bankr. D. Or. 1999); *In re Rodriguez*, 240 B.R. 912, 915 (Bankr. D. Colo. 1999); *In re Hages*, 252 B.R. 789, 793 (Bankr. N.D. Cal. 2000). In those cases, Debtor indicates that the courts have reasoned it is unfair to let a Chapter 7 trustee go unpaid if there is conversion to a Chapter 13 after the Chapter 7 trustee uncovers undisclosed assets. Debtor argues that in this case, Chapter 7 Trustee has not provided substantial services because Debtor wants to convert because they are now able to pay their creditors. In addition, Debtor notes, Chapter 7 Trustee has not performed substantial services.

The court notes, in the above cited cases, the courts have not provided a limitation of when a former Chapter 7 trustee can recover fees.

In *Colburn*, the court stated, "where a Chapter 7 case is converted to Chapter 13, trustee compensation should be determined independently under the standards of § 330, and applying § 326(c) as a further limiting factor would be inappropriate." *Colburn*, 231 B.R. at 783. *Colburn* put no such limitation as Chapter 7 trustees only being compensated if they uncover undisclosed assets.

In *Rodriguez*, the court noted that there is a policy under the bankruptcy code to see that case trustees are adequately and fairly compensated. To do so, the court should apply a cap under § 326(a) against all disbursements in the case. *Rodriguez*, 240 at 915. This case does not distinguish between Chapter 7 trustees who have uncovered assets, and those who have not.

In *Hages*, the court recognized that when a debtor converts a case to Chapter 13, often it is because a Chapter 7 trustee has uncovered assets *or* taken some action adverse to the debtor. *Hages*, 252

B.R. at 793. The court does not limit a Chapter 7 trustee to be compensated only when they have uncovered assets or taken some an action adverse to debtor. The court found it is appropriate to impute monies distributed by the Chapter 13 "based on distributions to be made by the chapter 13 trustee . . . ." The court found Chapter 7 trustee's should be received no more than 25% of the total distribution.

3. In the alternative-alternative, Debtor states Trustee should be paid on a quantum merit basis. Debtor argues under a quantum merit distribution, it is not reasonable to compensate based on the formula under 11 U.S.C. § 362.

The court agrees, Chapter 7 Trustee would be paid for the reasonable value of their services.

# CHAPTER 7 TRUSTEE'S SUPPLEMENTAL REPLY

Chapter 7 Trustee filed a Supplemental Reply on May 26, 2023. Dckt. 282. Chapter 7 Trustee states Debtor was only able to point to one case in Minnesota that suggests a court should apply a literal meaning of 11 U.S.C. § 362(a). *In re Fischer*, 210 B.R. 467 (Bankr. D. Minn. 1997). Trustee states even sister courts in the Eighth Circuit have rejected this interpretation (citing *In re Tweeten Funeral Home*, PC, 78 B.R. 998 (Bankr. D.N.D. 1987)).

Additionally, Chapter 7 Trustee notes, Debtor fails to put forth any evidence that Chapter 7 Trustee did not perform substantial services.

#### **DISCUSSION**

The court rejects the plain language of § 326(c) and finds that the Chapter 7 Trustee shall be paid in *quantum merit* for the services provided. As already discussed, the Chapter 7 Trustee has provided substantial services, especially when uncovering potential fraudulent conveyances and the highly contested matters prior and post-conversion.

### FEES AND COSTS & EXPENSES REQUESTED

# **Fees**

Applicant provides a task billing analysis and supporting evidence for the services provided, which are described in the following main categories.

General Case Administration: Applicant spent 10.00 hours in this category. Applicant reviewed Debtor's schedules and assets, reviewed filings fo creditors, and employed professionals.

Asset Analysis and Disposition: Applicant spent 9.40 hours in this category. Applicant researched deeds of Subject Properties, analyzed potential values of each, and communicated with parties in interest.

Significant Motions and Other Contested Matters: Applicant spent 1.80 hours in this category. Applicant communicated and litigated regarding turnover and conversion motions.

<u>Settlement / Non-binding ADR:</u> Applicant spent 2.85 hours in this category. Applicant communicated with counsel and broker regarding buyback of properties.

The fees requested are computed by Applicant by multiplying the time expended providing the services multiplied by an hourly billing rate. The persons providing the services, the time for which compensation is requested, and the hourly rates are:

Names of Professionals and Experience	Time	Hourly Rate	Total Fees Computed Based on Time and Hourly Rate
Nikki Farris, Chapter 7 Trustee	24.05	\$300.00	\$7,215.00
Total Fees for Period of Application			\$7,215.00

#### FEES AND COSTS & EXPENSES ALLOWED

### **Fees**

### **Hourly Fees**

The court finds that the hourly rates are reasonable and that Applicant effectively used appropriate rates for the services provided. First and Final Fees in the amount of \$7,215.00 are approved pursuant to 11 U.S.C. § 330 and authorized to be paid by the Chapter 13 Trustee from the available funds of the Estate in a manner consistent with the order of distribution in a Chapter 13 case.

Applicant is allowed, and the Chapter 13 Trustee is authorized to pay, the following amounts as compensation to this professional in this case:

Fees \$7,215.00

pursuant to this Application as final fees and costs pursuant to 11 U.S.C. § 330 in this case.

The court shall issue an order substantially in the following form holding that:

Findings of Fact and Conclusions of Law are stated in the Civil Minutes for the hearing.

The Motion for Allowance of Professional Fees filed by Nikki Farris, the Chapter 7 Trustee, prior to conversion to a Chapter 13, ("Applicant") having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

**IT IS ORDERED** that Nikki Farris is allowed the following fees and expenses as a professional of the Estate:

Nikki Farris, the Chapter 7 Trustee, prior to conversion to a Chapter 13,

Fees in the amount of \$7,215.00

as the final allowance of fees and expenses pursuant to 11 U.S.C. § 330.

**IT IS FURTHER ORDERED** that the Chapter 13 Trustee is authorized to pay 100% of the fees allowed by this Order from the available funds of the Estate in a manner consistent with the order of distribution in a Chapter 13 case.